



1 ENERGY AND ENVIRONMENT CABINET

2 Department for Natural Resources

3 Division of Oil and Gas

4 (Amendment)

5 805 KAR 1:160. Posting of an identification sign and a danger sign on a crude oil tank battery site  
6 [facility used for the storage of oil].

7 RELATES TO: KRS 353.500, 353.656

8 STATUTORY AUTHORITY: KRS 353.540(1)

9 NECESSITY, FUNCTION, AND CONFORMITY: KRS 353.656 requires a well operator  
10 to display a sign printed with the word "Danger" and other information specified by the department  
11 near or on a facility used for storage of oil, whether it is in active production or has been abandoned.  
12 This administrative regulation specifies the size, wording, coloration, and placement of a danger sign  
13 and identification [the] sign.

14 Section 1. Tank Battery Identification Signs. (1) An operator shall display a printed  
15 identification sign on tank battery facilities. The sign shall include the information in paragraphs (a)  
16 through (e) of this subsection.

17 (a) Tank battery operator (Company name).

18 (b) Lease name as identified by the tank battery operator.

19 (c) Global position system of the tank location using North American Datum of 1983 and  
20 expressed in decimal degrees (<sup>0</sup>).

21 (d) Emergency twenty-four (24) hour phone number for the tank battery operator.

1 (e) Department for Environmental Protection Environmental Response Team Hotline  
2 twenty-four (24) hour phone number.

3 (2) The identification sign shall meet the size requirements in paragraphs (a) through (c) of  
4 this subsection.

5 (a) The sign shall not be less than seventeen (17) inches in height.

6 (b) The sign shall not be less than twenty-eight (28) inches in width.

7 (c) The letters on the identification sign shall not be less than two (2) inches in height.

8 (3) In the case of transfer of ownership of a tank battery, the new operator shall revise or  
9 replace the sign to reflect the change of tank battery ownership within sixty (60) days from the date  
10 of associated well transfer with the Division.

11 [Definitions. (1) "NFPA" means the National Fire Protection Association.

12 (2) "Tank battery" means a single storage tank or group of storage tanks that are  
13 interconnected or are less than three (3) feet apart, where oil is collected from a wellhead.]

14 Section 2. (1) An operator shall display a printed sign on each tank battery, whether it is in  
15 active production or has been abandoned.

16 (2) Each sign shall contain the following words and phrases:

17 (a) "Danger";

18 (b) "No smoking or open flame";

19 (c) "Extremely flammable liquid and vapor";

20 (d) "May cause flash fire";

(e) "No trespassing"; and

(f) "Petroleum crude oil".

(3) Symbol. A no smoking symbol with a cigarette crossed through shall be displayed on each side of the words "no smoking or open flame".

Section 3. (1) The tank battery sign shall use the numbering system described in NFPA 704 "Standard System for the Identification of the [Fire] Hazards of Materials for Emergency Response," which provides a classification and marking system for identification of a fire hazard.

(2) A facility used for the storage of oil shall have a "health hazards" ranking of "1" identified by:

(a) A black "1" at the nine (9) o'clock position in a blue square located in a square-on-point field; or

(b) A blue "1" at the nine (9) o'clock position without the colored square.

(3) A facility used for the storage of oil shall have a "flammability hazards" ranking of "3" identified by:

(a) A black "3" at the twelve (12) o'clock position in a red square located in a square-on-point field; or

(b) A red "3" at the twelve (12) o'clock position without the colored square.

(4) A facility used for the storage of oil shall have a "reactivity hazards" ranking of "0" identified by:

(a) A black "0" at the three (3) o'clock position in a yellow square located in a square-on-point field; or

(b) A yellow "0" at the three (3) o'clock position without the colored square.

Section 4. Dimensions and Coloration of the Tank Battery Sign. (1) A sign shall not be smaller than:

(a) Seventeen (17) inches in height; and

(b) Twenty-eight (28) inches in width.

(2) The letter size for the required wording shall be as follows:

(a) The word "danger" shall:

1. Be in uniformly sized letters; and

2. Not be less than three (3) inches in height;

(b) The words "no smoking or open flame" shall:

1. Be in uniformly sized letters; and

2. Not be less than one (1) inch in height; and

(c) The words set out in Section 2(2)(c) through (f) of this administrative regulation shall:

1. Be in uniformly sized letters; and

2. Not be less than one-half (1/2) inch in height.

(3) The "no smoking" symbol with a cigarette crossed through shall not be less than one and one-half (1 1/2) inches in height.

(4) The NFPA numbers shall not be less than one-half (1/2) inch in height.

(5) The background color of the sign shall contrast with the foreground color of the letters and the NFPA numbers to make them clearly visible (e.g., white background with black letters).

Section 5. (1) There shall be one (1) identification sign and one (1) danger sign per:

(a) Tank battery; or

(b) Tank, if the individual tanks in a battery are controlled by more than one (1) operator.

(2) These tank battery signs [~~A sign~~] shall be:

(a) Displayed at:

1. Least five (5) feet from the ground; and
2. The most visible location from the approach;

(b) Properly maintained; and

(c) Replaced if it is:

1. Illegible;
2. Damaged;
3. Vandalized; or
4. Stolen.

Section 6. Signs in Existence Prior to this Administrative Regulation. (1) A danger sign or identification sign posted on a [~~tank or~~] tank battery prior to promulgation of this administrative regulation may be retained by an operator if:

(a) The operator [~~He~~] files a written petition for a waiver seeking permission to retain the noncomplying sign; and

(b) The prior sign is clearly displayed:

1. On the tank or tank battery; [~~and~~]
2. At the most visible location from approach; and
3. Meets the requirements of this administrative regulation.

(2) A prior noncomplying [~~danger~~] sign shall be replaced with a sign that complies with this administrative regulation if it is:

- (a) Illegible;
- (b) Damaged;
- (c) Vandalized; or

1 (c) Stolen.

2 Section 7. Violations for Failure to Post a Sign. (1) Upon locating a ~~[tank or]~~ tank battery  
3 without a danger sign or the required identification sign, the inspector shall issue a notice of  
4 noncompliance to the last known operator.

5 (2) The notice of noncompliance shall be mailed to the operator by certified mail, return-  
6 receipt requested. If the violation is not corrected by the posting of a proper sign within forty-five  
7 (45) days of his receipt of the notice of noncompliance, the operator shall be subject to the penalties  
8 set out in KRS 353.991.

9 Section 8. Material Incorporated by Reference. (1) ~~[The following material is incorporated~~  
10 ~~by reference:]~~ NFPA Edition 704, "Standard System for the Identification of the [Fire] Hazards of  
11 Materials for Emergency Response", 2017 [1990] edition, is incorporated by reference. ~~[Chapters 1-~~  
12 ~~4 and Figure 6.1.]~~

13 (2) This material may be examined or copied at the Kentucky Department for Natural  
14 Resources, 300 Sower Boulevard, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to  
15 4:30 p.m.

805 KAR 1:160 approved for filing.  
Pages (1-6)

9/13/2019

Date

Charles G. Snavely

Charles G. Snavely, Secretary  
Energy and Environment Cabinet

**PUBLIC HEARING AND PUBLIC COMMENT PERIOD:** A public hearing on this administrative regulation shall be held on November 22, 2019 at 5:00 P.M. (Eastern Time) in Training Room C of the Energy and Environment Cabinet at 300 Sower Blvd, Frankfort, Kentucky. Individuals interested in being heard at this hearing shall notify this agency five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be cancelled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through November 30, 2019. Send written notification of intent to attend the public hearing or written comments on the proposed administrative regulation to the contact person.

**CONTACT PERSON:** Michael Mullins, Regulation Coordinator, 300 Sower Blvd, Frankfort, Kentucky 40601, phone: (502) 782-6720, fax: (502) 564-4245, email: michael.mullins@ky.gov.



REGULATORY IMPACT ANALYSIS  
AND TIERING STATEMENT

Administrative Regulation No.: 805 KAR 1:160  
Contact Person: Michael Mullins

Contact number: (502) 782-6720  
Email: michael.mullins@ky.gov

(1) Provide a brief summary of:

- (a) What this administrative regulation does: This administrative regulation specifies the size, wording, coloration, and placement of the danger sign.
- (b) The necessity of this administrative regulation: This administrative regulation is necessary to notify owners and operators of storage facilities of signage requirements.
- (c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 353.656 requires a well operator to display a sign printed with the word "Danger" and other information specified by the department near or on a facility used for storage of oil, whether it is in active production or has been abandoned. This administrative regulation designates the requirements for those signs.
- (d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation assists in the effective administration of the statutes by establishing signage requirements to be used by owners and operators of oil storage facilities.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

- (a) How the amendment will change this existing administrative regulation: This amendment updates danger sign requirements as well as and creates a new requirement for owners and operators of storage tank batteries to include an identification sign on their tanks and administrative regulation includes requirements for those signs.
- (b) The necessity of the amendment to this administrative regulation: This amendment is necessary to require identification signs and to establish requirements for those signs.
- (c) How the amendment conforms to the content of the authorizing statutes: This amendment conforms to the authorizing statutes by providing additional signage information for oil storage facilities.
- (d) How the amendment will assist in the effective administration of the statutes: KRS 353.656 authorizes that the department the authority over danger signs on oil storage facilities. This amendment provides additional information on related to signage on oil storage facilities.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: There are approximately 1,060 active oil and gas operators in the commonwealth.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: The entities listed in question (3) above will be required to add an additional sign to oil storage facilities. This provision was already required by 401 KAR 5:090. However, this administrative regulation is being repealed and the authority over storage tank batteries is being transferred to the Division of Oil and Gas.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): Compliance with these amendments will not necessarily cost the regulated entity any additional funds. These requirements are currently contained in 401 KAR 5:090.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): Oil and gas operators will benefit from having all the information related signage on storage tank batteries in one location.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: There will be no costs to the administrative body with implementation of this amendment.

(b) On a continuing basis: There will be no costs to the administrative body with implementation of this amendment.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: The funding for implementation of the amendments to this administrative regulation will be a combination of general funds and restricted funds.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: The amendments to this administrative regulation will not require an increase in fees or funding.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This administrative regulation does not establish or increase any fees.

(9) TIERING: Is tiering applied? (Explain why or why not) No. All entities that have storage tank batteries in the Commonwealth will be required to meet the same signage requirements.

## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Administrative Regulation No.: 805 KAR 1:160  
Contact Person: Michael Mullins

Contact number: (502) 782-6720  
Email: michael.mullins@ky.gov

1. What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Division of Oil and Gas and the Division of Water.

2. Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 353.540 and 353.656.

3. Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This administrative regulation will not generate revenue.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This administrative regulation will not generate revenue in subsequent years.

(c) How much will it cost to administer this program for the first year? There will not be a cost increase associated with the amendments to this administrative regulation.

(d) How much will it cost to administer this program for subsequent years? Future costs would remain essentially unchanged related to this amendment.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-): NA

Expenditures (+/-): NA

Other Explanation: NA

SUMMARY OF MATERIAL INCORPORATED BY REFERENCE  
805 KAR 1:160

This administrative regulation incorporates the following documents:

**I. NFPA Edition 704, "Standard System for the Identification of the Hazards of Materials for Emergency Response" (2017)** This document provides classification and marking systems for identification of hazards of materials for emergency response. This is an updated document and consists of 36 pages.

